



May 3, 2005

TO: Robert A. Schroeder, Chair
EQB (Tel: 651-296-3391)

FROM: George Edwin Johnson
EQB Staff, (Tel: 651-296-2888)

RE: EQB Staff Recommendation on Issuance of a Scoping Document
for an Environmental Assessment of the
Minnkota Power Cooperative, new 230 kV HVTL and Lund substation
Lake of the Woods County, Minnesota
EQB Docket #05-93-TR-MINNKOTA

Summary: Under the Power Plant Siting Act (Minnesota Statutes, Sections 116C.51-.697) a route permit from the Minnesota Environmental Quality Board (EQB) is required to build a high voltage transmission line (HVTL). A HVTL is a transmission line greater than 100 kilovolts (kV) and associated facilities. The EQB has adopted rules for the administration of transmission line route permits (Minnesota Rules Chapter 4400). Minnkota Power Cooperative (Minnkota) has formally requested permission from the EQB to use the alternative permitting process for this particular line.

The EQB rules establish the requirements for submitting and processing a permit application. The applicant must identify in the application the preferred route for the transmission line and discuss any alternative routes considered. As part of the permitting process, the EQB prepares an Environmental Assessment (EA) on the project and holds a public hearing. The EQB has up to six months from the time the application is accepted to complete the process and make a decision on the permit.

Minnkota proposes to construct one mile of new 230 kV HVTL and a new Lund substation near Baudette in Lake of the Woods County, Minnesota. The proposed facility will be located along a current HVTL route, between an existing 230 kV HVTL and a 69 kV transmission line. The substation footprint will be approximately 4 acres in size. The proposed substation is currently under a purchase option by Minnkota. The proposed HVTL route and the associated Lund substation are in a sparsely populated forested and swampy area. There is only one landowner directly affected by the new substation and HVTL. That individual is in the process of selling the substation property to Minnkota Power Cooperative.



Construction of the substation, construction of a short length of new 69 kV transmission line and re-conductoring of some 69 kV transmission lines that enter the proposed Lund Substation near Baudette will be required. None of these actions require an EQB HVTL routing permit, but are considered associated facilities to the 230 kV HVTL. The construction of one mile of new 230 kV HVTL would be required for this combined project. The 230 kV HVTL does require an EQB route permit.

Staff Recommendation: The EQB staff has reviewed the application for compliance with the requirements of Minnesota Rules, part 4400.1150. Minnkota's application was found to be largely complete with only a couple of minor deficiencies. A letter of acceptance of the application was sent to Minnkota on April 2, 2005. Based on the anticipated non-controversial nature of the proposed project, the EQB staff recommended that the Chair elect not to appoint a citizen advisory task force for this project. EQB and Minnkota staff held an initial public information and EA scoping meeting in Baudette on April 26, 2005. The meeting was sparsely attended and no substantial public comment on the project was received.

Action Requested: The next step is for the Chair to authorize the Scoping Document. Attached is a draft scoping document on the Minnkota 230 kV project for your signature.

Please contact me if you have any further questions or comments on this memo or the proposed Scoping Document enclosed for your review and signature.